



Presentation to the 2015 Health and Human Services Joint Appropriation Subcommittee

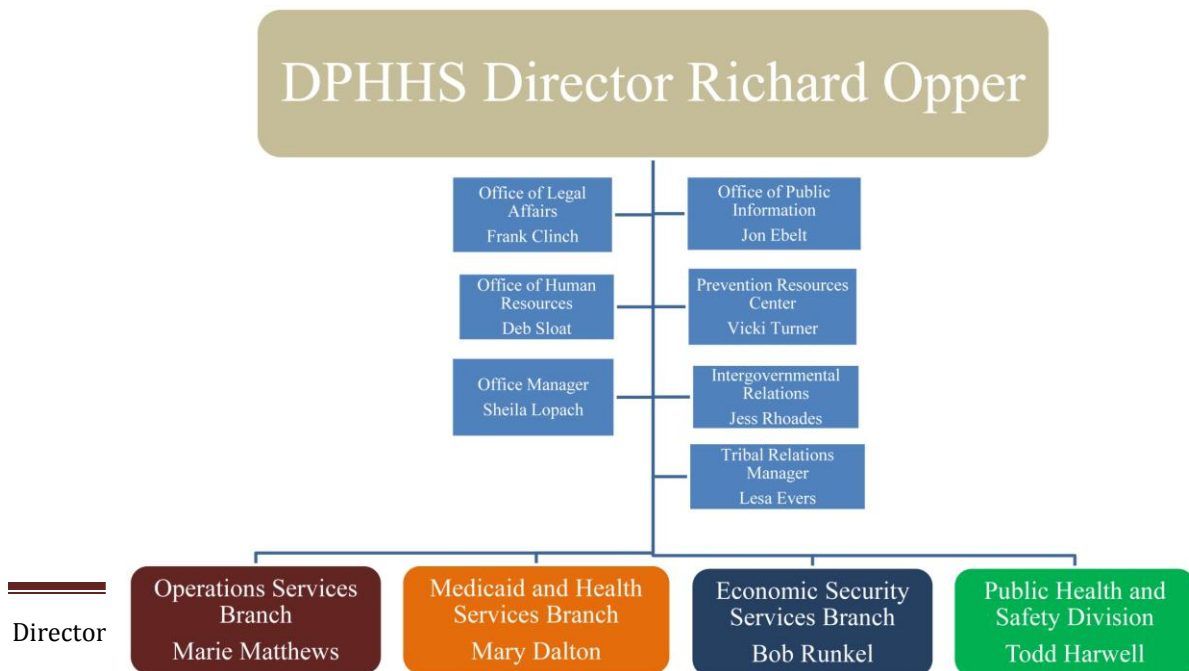
DIRECTOR'S OFFICE

Department of Public Health and Human Services

Reference:

Legislative Fiscal Division Budget Analysis, Volume 4, Page B-31 5 B-35

Organizational Chart



CONTACT INFORMATION

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SUMMARY OF MAJOR FUNCTIONS

The Director's Office of the Montana Department of Public Health and Human Services provides professional support to the agency's three branches which oversee 12 divisions. The three branches are Operations Services, Medicaid and Health Services and Economic Security Services. The Director's Office is made up of the department Director, the Office Manager, the Office of Legal Affairs, the Human Resources office, the Prevention Resource Center, Intergovernmental Relations, and Tribal Relations staff, and the Public Information Office.

The DPHHS Director's Office provides leadership, management, and oversight for the Department. It works to ensure a cohesive approach to Department's work as a whole, and to bring everything together in a seamless way to promote the larger vision.

OVERVIEW

The mission of the Montana Department of Public Health and Human Services (DPHHS) is to improve and protect the health, well-being, and self-reliance of all Montanans. As the largest agency in state government, the department's efforts to serve Montanans are extensive and diverse. Some categories of the department's work include the following:

- Protecting adults from abuse and neglect and licensing nursing homes.
- Providing care and services to people with developmental disabilities.
- Funding and overseeing the treatment of adults and children with mental health and/or substance abuse issues.
- Paying the vast network of providers who serve Medicaid clients
- Helping people with physical disabilities get the training and services they need to be as productive members of society as possible.

- Determining eligibility of people for benefits like SNAP, TANF, residential energy assistance, and Medicaid.
- Overseeing the collection and distribution of child support payments.
- Protecting children from abuse and neglect through the foster care and adoption systems, investigations, and removal of children from dangerous living situations.
- Working to improve the health of all Montanans through our immunizations program, asthma control, tobacco cessation, healthy heart and stroke prevention programs, and other programs.

HIGHLIGHTS AND ACCOMPLISHMENTS DURING THE 2013 BIENNIUM

The Director's Office has established 3 operational goals for the agency. The discussion of highlights will center on the Director's Office efforts towards achieving them.

Goal #1: Better recruitment and retention of quality staff:

Although understaffed, the Human Resources office has made strides towards improving the state's hiring practices over the biennium. First, it underwent an extensive business process review, which resulted in a more effective, streamlined recruitment processes. The department also combined the HR and Payroll offices, which helped provide additional staff support for some of the HR functions. The result is that the department has cut the time it takes to hire a new employee almost in half over the biennium. This department now loses fewer qualified candidates to other agencies or the private sector while candidates await a decision from us.

Another effort to retain good staff, reduce health related absences, increase productivity, and improve morale is the Workplace Wellness program the department implemented last year. The department now encourages staff to take walking or stretching breaks, exercise more, and choose healthy foods. For example, the Sanders Building cafeteria has broadened its healthy food choices. There are now more healthy options at various agency vending machines, and we have nutritional standards for food provided for department-sponsored meetings and conferences. We have featured staff on department-wide videos who have benefitted from the program. Some have reported losing 40 or more pounds over the past year and are feeling healthier and happier than they have felt in years. One staff reported that one of her clients was so inspired by the staff person's weight loss and improved health that the client embarked on a healthier course of better nutrition and exercise. Although it is too early to quantify the impacts in terms of missed sick days, worker's comp claims, and other potential measures, the program has boosted morale among staff, in some cases markedly.

Goal #2: Continual process improvements:

There are many examples over the biennium of department-wide efforts to improve the efficiency with which services are delivered to customers. Some of these have been initiated in the Director's Office. All are encouraged and supported by it. Several examples are listed below, and more detail will be provided in specific division presentations:

- Service First: The department aims to become the most accurate and fastest agency in the country in terms of determining whether clients are eligible for specific benefits like TANF, SNAP and Medicaid. (It already is among the most accurate.) To help with this transition, the department has launched Service First, an approach that involves many process changes that will take us towards a business model that focuses on efficiency and accuracy. The planning phase of Service First has been completed, and the department has moved into an implementation phase that will last for 2 to 3 years.
- Eligibility Notices Project: For this effort, the department worked with field staff to re-design the formerly confusing notices issued to people who applied for benefits. The new notices are much clearer, the public appreciates the added simplicity, and program staff spend less time explaining the forms and what they were asking of the clients.

- **Contracting Processes:** DPHHS has approximately 2,400 contracts with various providers at any given time. The agency has established an internal contract review team to revise the way contracts are developed, procured, and monitored. The effort has been focused on improvements to the following three areas: 1) greater clarity in the front end, or procurement side of the contracts, 2) better use of data across the department to evaluate needs and to quantify the success of DPHHS projects, and 3) better monitoring of contractor performance. The department has developed a new internal form that requires staff to clearly state up front the program objectives and the project's proposed approach to program monitoring. This will provide greater clarity of expectations in the contracts that follow, which is good for both the providers and the department.
- **SUR Audit Process:** The department's Surveillance and Utilization Review (SUR) audits are designed to protect the integrity of Montana Medicaid from fraud and abuse. Overt fraud among providers in Montana is extremely rare. However, the audits frequently detect lesser violations like paperwork errors and poor recordkeeping. The department had had in place an internal policy of looking back over 3 years of activities when it monitors a provider. In some cases, relatively minor errors by providers that went undetected by the department can result in very large sums of money the providers must pay back to the Medicaid Program. The department has recently changed its policy to look back for a 6 month period rather than three years. This will enable the state to conduct many more audits, even if the money collected from each individual set of violations will result in fewer dollars recovered than would have occurred in a 3-year lookback period. While still seeking to detect evidence of fraud, the audits will now be less "punitive" in nature from a provider's perspective. The audits will look for trends where many providers have similar types of paperwork errors. Program staff will use these trends to determine where additional provider training may be necessary. Ultimately, the function of the audits will be to improve provider performance.

Goal #3: Improving relationships:

Although the benefits are hard to measure, improved relationships with the people we serve, providers we fund, and the legislative branch help the department do its work more efficiently. Below are some specific examples of our efforts to work better with "customers" in an effort to produce better outcomes. Again, more detail on these efforts will be provided in specific division presentations:

- While developing their legislative agenda for the 2015 Legislative session, several divisions within the department reinitiated Stakeholder Listening Sessions to acquire feedback from providers and customers.
- The department has also responded to requests that stakeholders be more involved in the rule making process of the program. As a result, we have had more provider and stakeholder meetings to solicit their feedback as the rules are being drafted.
- This fall, department managers traveled to several communities across the state to meet with Legislators. The purpose of the meetings were to provide an overview of the department's work, solicit feedback from legislators on things they wanted to see the department accomplish, listen to any feedback legislators were getting from their constituents, and encourage legislators to call the department when they hear of problems in how we deliver services to their constituents.

Additional Accomplishments:

Health Care Delivery/Prevention:

- Childhood trauma is strongly correlated with future health and behavior problems as children enter adulthood. When caretakers (parents, teachers, child care workers, caseworkers) are trauma-informed, they react towards these children with greater understanding and compassion, which is what children need to develop better life skills (resilience). The department recently developed an online training for

all department staff. The training is in Adverse Childhood Experiences (ACES), and it will help make DPHHS a trauma-informed agency that is better prepared to help both children and adults that we serve.

- This year, the department began implementing a policy of reducing Medicaid reimbursements for providers and facilities when an elective early delivery is performed. Elective early deliveries are more likely to result in health problems in both mothers and babies. If there is a medical reason for inducing a delivery before a full-term pregnancy is complete, Medicaid will reimburse at the full rate. However, an elective early delivery will result in a significant reduction in how much money the program will reimburse doctors and hospitals. This is a significant health care reform that will both save money and produce better health outcomes.
- Childhood Hunger: The Summer Meal Program exceeded its goals of increasing the number of meals served (490,000 in 2014) and the number of sites serving meals (192 in 2014). The Afterschool Meal Program has more than doubled the number of sites serving meals and is on track to double the number of meals served in 2014.
- Tribal Relations: This biennium, the department worked diligently to improve communications with and services provided to the American Indian population in Montana. Management staff, including the department director, traveled to each of the seven Indian reservations and the Little Shell Tribe to meet with their governing bodies. Management visited health care facilities on all seven reservations and several facilities in cities serving the state's urban Indian population. The department worked through many substantive matters, including contracts, service delivery questions, and program funding questions. In addition, the department has re-initiated biannual Tribal Consultations that are structured to promote effective communications between the department and the sovereign nations.

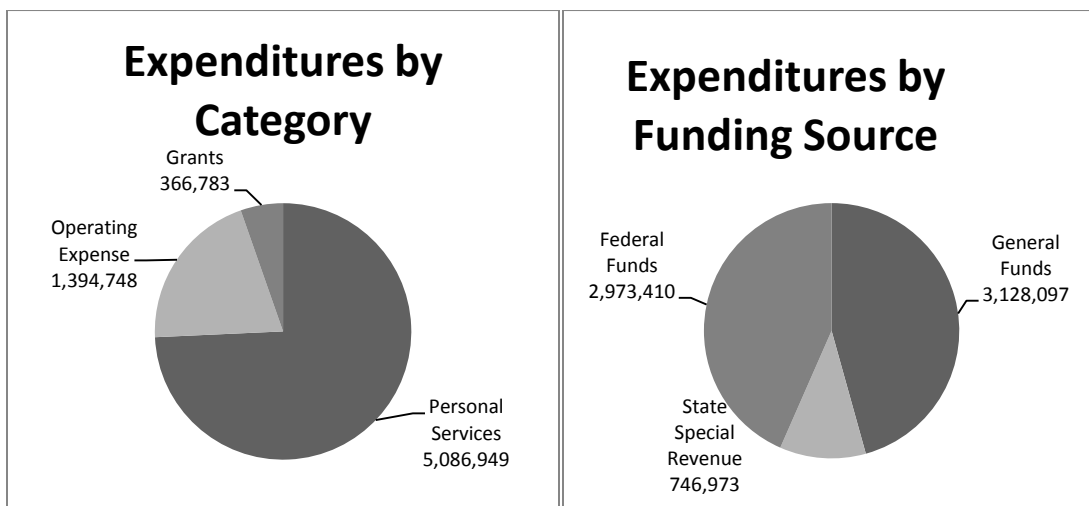
GOALS AND OBJECTIVES

| Department of Public Health and Human Services Division Name | |
|--|---|
| Goals and Objectives Submitted October 2014 | |
| Goal: The Office provides leadership and direction for the agency, and oversees overarching goals including communication, research and analysis, human resources and legal services. | |
| Objective | Measures |
| <ul style="list-style-type: none">• Ensure personnel policies and processes are equitable and fair.• Ensure continuity of operations through a qualified and trained workforce.• Provide timely and accurate legal support, advice and consultation.• Ensure the Director's Office is actively involved in shaping future policies for DPHHS.• Assist top management in the analysis and development of policy.• Ensure a department wide communication strategy. | <p>Through review and analysis, the Director determines whether:</p> <ul style="list-style-type: none">• Human resource processes strengthen the pool of qualified applicants for positions.• Legal support to the Department in legislative activities is effective in areas including, but not limited to, development, passage and implementation of applicable laws, rules, and regulations. |

FUNDING AND FTE INFORMATION

| | 2014 Actual Expenditures | FY 2016 Request | FY 2017 Request |
|----------------------|---|----------------------------|----------------------------|
| Office | | | |
| FTE | 46.25 | 45.25 | 45.25 |
| Personal Services | 5,086,949 | 3,974,985 | 3,985,776 |
| Operating | 1,394,748 | 1,427,178 | 1,427,652 |
| Equipment | 0 | 0 | 0 |
| Grants | 366,783 | 366,782 | 366,782 |
| Benefits & Claims | 0 | 0 | 0 |
| Debt Services | 0 | 0 | 0 |
| Total Request | 6,848,480 | 5,768,945 | 5,780,210 |
| General Fund | 3,128,097 | 2,595,088 | 2,601,200 |
| State Special Fund | 746,973 | 625,594 | 626,345 |
| Federal Fund | 2,973,410 | 2,548,263 | 2,552,665 |
| Total Request | 6,848,480 | 5,768,945 | 5,780,210 |

**THE FOLLOWING FIGURES PROVIDE FUNDING AND EXPENDITURE INFORMATION FOR
FY 2014 FOR THE DIRECTOR'S OFFICE**



CHANGE PACKAGES

PL 400444 – Statewide 4% FTE Reduction

The 2015 biennium budget included a 4% vacancy savings reduction. Language included in the boilerplate of HB 2 passed by the 2013 legislature, indicated legislative intent that the 4% vacancy savings be made permanent as an FTE reduction for the 2017 biennium. Change package 400444 includes a reduction of 0.75 FTE each year and \$188,508 total funds for the biennium to accomplish the FTE reduction.

| Fiscal Year | General Fund | State Special | Federal Funds | Total Request |
|-----------------------|---------------------|----------------------|----------------------|----------------------|
| FY 2016 | (\$52,422) | (\$5,376) | (\$36,580) | (\$94,378) |
| FY 2017 | (\$52,141) | (\$5,376) | (\$36,613) | (\$94,130) |
| Biennium Total | (\$104,563) | (\$10,752) | (\$73,193) | (\$188,508) |

LEGISLATION

None